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C O N F I D E N T I A L BANGKOK 002481

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E.O. 12958: DECL: 08/19/2018
TAGS: [PHUM](#) [PGOV](#) [PINS](#) [ASEC](#) [TH](#)
SUBJECT: THAI COURT FLEXES MUSCLE, CONVICTS NOTORIOUS
FORMER DEPUTY INTERIOR MINISTER VATANA

REF: A. BANGKOK 2302 (MOTHERLAND PARTY LEADER)
[1](#)B. BANGKOK 2357 (RESHUFFLED CABINET)

Classified By: Charge D'Affaires James F. Entwistle, reason 1.4 (b) and (d).

[1](#)1. (SBU) Summary: Thailand's Supreme Court convicted former Deputy Interior Minister Vatana Asavahame of corruption charges in the Klong Dan wastewater treatment plant scandal on August 18 and sentenced him in absentia to 10 years of imprisonment. Anticipating the verdict earlier this summer, Vatana had fled to Cambodia, where he controls two resort casinos in the border town of Poi Pet. The ruling marked an end to a 15-year long investigation into the notorious veteran politician's involvement in corrupt land deals that pre-date the Thaksin era in Thai politics; Vatana is only the second politician to be convicted by the Supreme Court's Criminal Division for Holders of Political Positions since the division's creation in the 1997 Constitution. The ruling also dealt another blow to the mid-sized Motherland Party after its party leader Suwit Khunkitti was recently squeezed out of the Cabinet in the recent reshuffle.

[1](#)2. (C) Comment: Vatana's notoriety as a typical Thai political big shot beyond the reach of the law has lingered over the decades. His political aspirations took a hit in the early 1990s when it became known publicly that he was ineligible for a U.S. visa due to having profited from drug trafficking. Vatana largely laid low for the Thaksin era but re-emerged post-coup as a chief financier to the newly established Motherland Party. The conviction of a corrupt politician long tied to scandals demonstrates that the recent spate of activism by the Thai justice system is not merely aimed at the Thaksin network. It is also noteworthy that the slow-burning Klong Dam scandal was kept alive by determined civic action by environmental and local community activists, who generated much of the early evidence of corruption in the case and forced closure of the wastewater plant in 2003 prior to completion. Vatana's conviction is a welcome sign that powerful and wealthy political figures are not immune to prosecution for illicit acts in Thailand. End Summary and Comment.

A rare conviction of a big shot Thai politician

[1](#)3. (SBU) For only the second time since the Supreme Court's Criminal Division for Holders of Political Positions' creation by the 1997 constitution, the Court sentenced a high-profile politician to jail August 18 (the previous

occasion: ex Minister of Health Rakkiat Sukthana, convicted in 2004 for accepting bribes in 1997-98). Eight out of nine judges found Vatana guilty of illegally obtaining land deeds in Samut Prakan province and selling them at inflated prices to the Pollution Control Department (PCD) for construction of a wastewater treatment facility, approved under the Banhan government in 1995. Opposition from environmentalists and local villagers halted construction of the facility, and in 2002 the PCD filed a complaint with the National Counter Corruption Commission; the Thaksin government ceased construction of the plant in 2003. Following the August 18 verdict, the court issued a warrant for Vatana's arrest and authorized police to seek his extradition from Cambodia. (Note: Thailand and Cambodia signed an extradition agreement in April 1998; it went into force in 1999. End Note.)

Implications for the Motherland Party

¶4. (SBU) A top financier of the mid-sized Motherland ("Puea Pandin") Party, Vatana's conviction represents a further blow to an already weakened coalition party member which had aspired to a much larger showing in the December 2007 parliamentary elections before finishing fourth, with only 24 MPs. When it became clear that PM Samak intended to force party leader Suwit out of the Cabinet in the recent reshuffle, Suwit initially announced the Motherland Party's withdrawal from the governing coalition, only to find that the bulk of his MPs were determined to stay with the coalition; in the end, only Suwit departed (ref B).
ENTWISTLE